2014/2024 Review
Columbia River Treaty

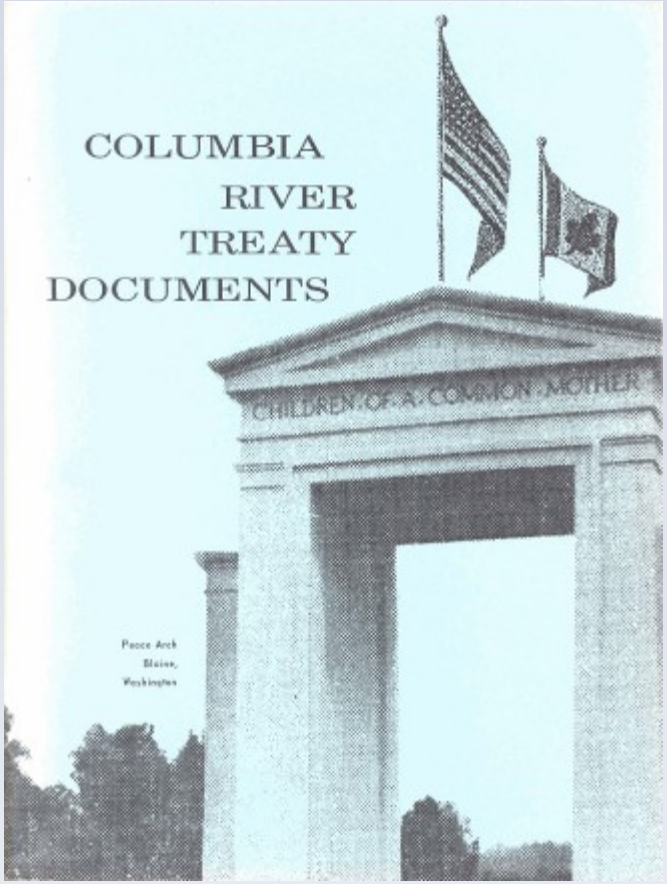
Briefing for the Central Asian Delegation

January 28, 2013

Why Conduct a Treaty 2014/2024 Review?

1. The Treaty has no specified end date; however, either nation can terminate most of the provisions of the Treaty as early as Sep 2024, with a minimum 10 years' written notice.

2. Current assured annual flood control operating procedures will end in 2024, independent of Treaty decision.



Post-2024 Flood Control

Regardless of Whether the Treaty Continues or is Terminated:

- Flood control provided by Canadian projects transitions to a “Called Upon” operation after 2024 for the life of the projects:
- U.S. requests for called upon storage limited to potential floods that cannot be adequately controlled by all related (effective) U.S. storage
- Canada must be consulted prior to a called upon action
- Called upon storage to provide no greater degree of flood control after 2024 than prior to 2024
- U.S. must pay for operating costs and any economic losses in Canada due to the called upon operation

3

Columbia River Treaty 2014 / 2024 Review

Description

Studies jointly conducted by USACE and BPA on behalf of the U.S. Entity in collaboration with regional Sovereigns and stakeholders to evaluate the benefits and costs associated with alternative Treaty futures.

Purpose

Enable the U.S. Entity to make an informed recommendation, aided by the assistance of regional sovereigns, to the U.S. Dept. Of State by September 2013 as to whether or not it is in the best interest of the U.S. to continue , terminate or seek to renegotiate the Treaty.

Authorization

Columbia River Treaty executed between the U.S. and Canada in 1964 authorizes the U.S. and Canadian entities to conduct studies necessary to implement the Treaty.

Regional Engagement Strategy

Sovereign Review Process

- Sovereign Review Team (SRT):
  - Four States (Northwest Power and Conservation Council Representatives): Oregon, Washington, Idaho, Montana
  - 15 Northwest Native American Tribes (5 representatives)
  - Federal Agencies:
    - National Marine Fisheries Service
    - U.S. Fish and Wildlife Service
    - Bureau of Reclamation
    - U.S. Army Corps of Engineers
    - Bonneville Power Administration
    - Bureau of Land Management
    - Environmental Protection Agency
    - U.S. Forest Service
    - U.S. Geological Survey
    - Bureau of Indian Affairs
    - National Park Service
- Sovereign Technical Team (STT): technical leads and staff representing the SRT members

Regional Engagement Strategy, cont.

Non-Sovereign Stakeholders

- Focused meetings with Non-Sovereign Stakeholder Groups
- Regional Public “Listening Sessions”

Other Coordination

National Level

- U.S. Department of State
- Interagency Policy Committee (IPC)
- Regional Federal Agency Coordination
- Congressional Delegation

Coordination with Canada

- Treaty Review coordination with Canadian Entity

Work Completed to Date and Ongoing

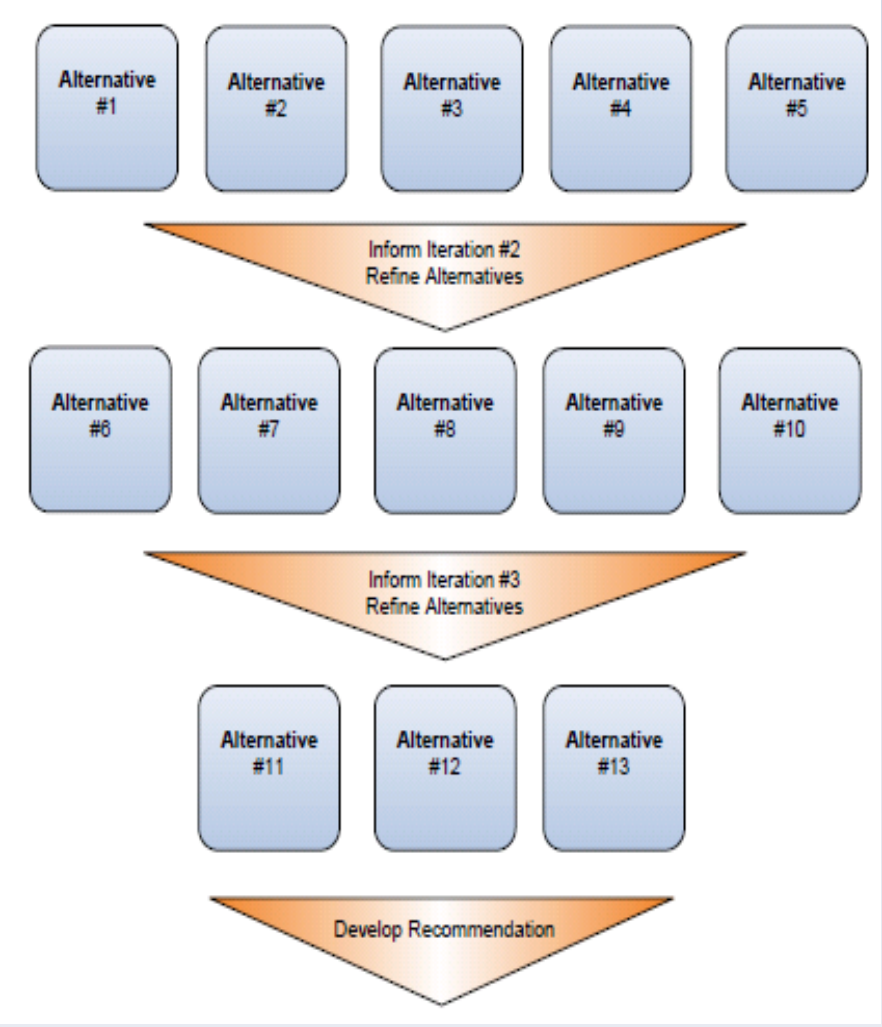
- Jul 2010 Phase I: U.S./Canadian Entities Joint Technical Studies
- Sep 2010 U.S. Entity Supplemental Studies
- Sep 2011 Columbia River Post-2024 Flood Risk Management Procedure
- Sep/Oct 11 Regional Public Listening Sessions
- Jan 2012 Report on "Assessing the Canadian Hydro Operation Post 2024 in Absence of the Treaty"
- Apr 2012 Hydroregulation Modeling of Iteration 1 Alternatives

- Corps Flood Risk Management Studies
- Regional Engagement with Sovereign and Non-sovereign Interests
- Formulation and Evaluation 2nd "iteration" of Alternatives
- Coordination with US Departments of State and Energy

Alternative Formulation and Evaluation

Iterative Approach to Modeling

1. **Modeling to be done in 3 iterations**
2. **Iteration #1: Re-look at some of Phase 1 studies with Corps' new Called Upon procedures**
3. **Assess results of Iteration #1, refine alternatives to be looked at in Iteration #2.**
4. **Assess results of Iteration #2, refine alternatives to be done in Iteration #3.**
5. **Full impact assessments and Climate Change scenarios will done in Iteration #2 and/or #3.**



Public Meetings and Listening Sessions to Date

Listening Sessions

- February 2011, Portland
- June 2011, Spokane
- September and October 2011, Portland, Spokane and Boise

SRT Panel Sessions, June 2011, August 2011 and February 2012

- Ecosystem Function
- Flood Risk Management
- Hydropower
- Water Supply

Common Themes Coming Out of Sept/Oct 2012 Listening Sessions

Process Comments

- Questions about overall process, schedule & milestones
- Desire for transparency in each step of the process
- Desire for non-sovereign stakeholders to participate in scoping, metrics and methodologies
- Desire for Clarity in the Treaty Review Schedule and concern about timeframe for Entity recommendation
- Desire for Opportunity to assist Entity in formulating a recommendation
- Concern about the level of representation of Irrigation, hydropower, navigation and recreation interests
- Concern about the large geographic scope and ability for all interests to be fairly represented
- Questions about Canadian interests and perspectives

Common Themes Coming Out of Sept/Oct 2012 Listening Sessions

Technical Comments

- Identified larger “framework” questions to be addressed by the Treaty
- Recommendations for conducting technical studies, including parameters to be addressed, sources of existing information and metrics to be considered
- Importance of balancing interests (ecosystem function, flood risk, hydropower and others)
- Use of information by SRT and STT to “funnel” information through iterations leading to recommendation
- Need for clarity and understanding on the implications of Post-2024 Called Upon flood control on U.S. reservoir operations

Common Themes Coming Out of Sept/Oct 2012 Listening Sessions

Subject-Matter Discussions

- Ecosystem-based function: Fish and Wildlife
- Cultural Resources
- Flood Risk Management
- Irrigation
- Water Supply
- Hydropower
- Navigation
- Recreation

How are Stakeholder Comments Being Used and Addressed?

- Treaty Review process or procedures may be revised to address concern
- SRT will formulate alternative(s) in iteration 2 or 3 to specifically address the comment
- Comment will be specifically addressed through assessment of impacts of alternatives
- Comment is related to a policy issue that may need to be addressed before a Treaty recommendation can be finalized
- Comment is outside of the scope of the Treaty review as defined by the sideboards established by the SRT

Key Challenges

- Managing scope of analysis to limit it to key information needed to make a decision about the future of the Treaty
- Engagement process with SRT, Canadians, and many other stakeholders in the region is very resource intensive
- Development and calibration of many very complex new analysis models and tools in a limited period of time
- Integrating the many different perspectives of stakeholders in the region into a regionally supported recommendation

Where Do We Go From Here?

- Jan-Feb 2012 — SRT Reviews and Evaluates Iteration 2 Alternatives
- Mar 2013 — Regional Public Listening Sessions
- Apr-May 2013 — Formulate and Start modeling Iteration 3 Alternatives
- May-Jun 2013 — SRT Reviews and Evaluates Iteration 3 Alternatives
- Jun-Jul 2013 — Regional Public Listening Sessions
- Jul-Aug 2013 — Develop Regional Recommendation
- Sep 2013 — Recommendation to U.S. Department of State

Columbia River Treaty
U.S. Entity Perspectives

- The lack of coordinated hydro operations on an international river system such as the Columbia could result in additional uncertainty for downstream U.S. power, flood control, fisheries, and other non-power river uses and operations.
- Expectations are that Called Upon flood control will be needed post-2024, but how much is needed, how it will be implemented, and how it will be paid for are still uncertain and will need to be evaluated in future work.
- U.S. reservoirs in the Pacific Northwest may have to be operated differently for flood control post-2024, and this could have significant implications for interests around those reservoirs.
- Without the Treaty, the U.S. retains about 300 - 500 average annual MW of energy and 1300 -1500 MW of capacity as a carbon-free resource.
- By Treaty design, many of the current U.S. non-power operations (e.g. BiOp objectives) are not considered when determining Entitlement return to Canada.

Columbia River Treaty
Key Points

- The ultimate purpose of Treaty is the cooperative management of the Treaty projects for water storage and releases that produce a flow across the border that optimizes Canadian and U.S. benefits for a variety of purposes. No new water is produced.
- The focus of the September 2013 recommendation is on whether or not it is in the best interest of the U.S. to continue or terminate the Treaty—not on post-2024 implementation.
- U.S. Entitlement payments to Canada under the Treaty are extremely high compared to the value produced in the U.S. today.
- The Treaty flood control provisions change in 2024 whether we terminate the Treaty or not.
- The Treaty is touted as a model international water management agreement. It produces substantial benefits. At this point is unclear if greater or lesser benefits will be produced by termination.

QUESTIONS?